



SALISBURY TOURISM AND CULTURAL DEVELOPMENT COMMISSION

Minutes

January 7, 2010

The Salisbury City Council appointed members to the Salisbury Tourism and Cultural Development Commission which met in the Council Chamber at 217 South Main Street on this day. Lunch was provided.

In attendance were: Mr. Boris Bunich, Mr. Bill Burgin, Mr. Steven Brown, Mr. Randy Hemann, Mr. Mark Lewis, Mr. James Meacham, Ms. Diana Moghrabi (Secretary), Mr. Joe Morris (Staff Liaison), Ms. Krista Osterweil, Ms. Barbara Perry, Mr. David W. Redden, Mr. John Sofley (Treasurer), and Councilman Paul Woodson **Absent:** Ms. Michelle Patterson

INAUGURAL MEETING

Introductions were made and handouts distributed; handouts included the Downtown Master Plan, Salisbury Ordinance 2009-52, a resolution levying a room occupancy tax within the City of Salisbury 2009-26, Session Law 2009-428, the 2009 Comprehensive Parks and Recreation Master Plan Updated Executive Summary Report, the collection report for November 2009 Occupancy Tax (\$17,065.68), and the Executive Summary of the Cultural Action Plan <http://www.salisburync.gov/lm&d/Cultural%20Action%20Plan/Cultural%20Action%20Plan.htm>

Occupancy Tax Update

Joe Morris facilitated the meeting and made a Power Point presentation to bring the Commission up-to-date. John Sofley made a treasurer's report saying that ½ of the businesses owing the tax had yet to submit it. (There will not be a penalty for the first month.) Randy Hemann reported on the Downtown Master Plan, and Steve Brown reported on the Parks and Recreation Master Plan.

Salisbury City Council Goal

Outcome 4: Enhance and support a creative enterprise economy with the best educated workforce, the most competitive infrastructure, an environment for creativity and innovation, a positive business climate and supportive government in Salisbury and Rowan County.

Goal 4: Initiate actions to increase the occupancy tax rate from \$.03 to \$.06 in Salisbury.

Adopted by the Salisbury City Council in 2007, 2008 & 2009

Enabling legislation ratified on August 6, 2009 (Session Law 2009-428)

- 85 counties have an occupancy tax.
- 67 municipalities have an occupancy tax.
- There are 21 jurisdictions with a combination county and city occupancy tax.
- The lowest rate is 1.5% (Cherokee)
- The highest rate is 8% (Mecklenburg)

Source: North Carolina Travel & Tourism Coalition

Sampling of Regional Rates

Counties

Mecklenburg	8%
Forsyth	6%
Stanly	6%
Cabarrus	5%
Rowan	3 %

Cities

Lexington	6%
Thomasville	6%
Statesville	5%
Hickory	5%
Mooreville	4%
Salisbury	3%*

Source: NC Travel & Tourism Coalition

Occupancy Tax FY 08-09

- 867 hotel rooms in Rowan County
- \$.03 rate generated \$289,407
- 809 rooms, or 93%, are located within Salisbury
- 97% of the tax collected is generated within Salisbury

Based on current occupancy and number of rooms, a \$.03 occupancy tax would generate approximately \$280,725 within Salisbury.

Source: Rowan County Convention & Tourism Bureau

NC Session Law 2009-428

Establishes that:

- The revenue is received and administered by a Salisbury Tourism Development Authority (TDA).
- 2/3 of revenue must be used for marketing and promotions.
- 1/3 of revenue may be used tourism related expenditures including capital projects within the taxing jurisdiction. (Capital projects must be in Salisbury)

Requires that:

- Salisbury create a separate TDA
- Requires the TDA to collect and spend the proceeds of the occupancy tax in conformance with state guidelines.
- Does not prohibit collaborative marketing efforts with the Rowan County CVB and others.

Potential Tourism Related Activities

Coordinated marketing agreements with:

- Rowan County Convention and Visitors Bureau (RCCVB)
- Downtown Salisbury, Inc.
- North Carolina Transportation Museum
- Historic Salisbury Foundation
- Salisbury Parks & Recreation Department
- Rowan Museum
- Rowan Arts Council

Potential Tourism Related Activities

Destination development activities including:

- Salisbury Art & History Trail
- Festivals and Art Shows
- Cultural Action Plan
- Public amenities
- Way finding signage
- Cultural events
- Museum and historic site development

Implementation

- ❖ The resolution levies the occupancy tax and establishes a Salisbury tourism development authority.
- ❖ The ordinance establishes guidelines consistent with the enabling legislation and North Carolina General Statutes.

Council Action

- ✓ Staff Report
- ✓ Set a public hearing for September 1, 2009
- ✓ Subsequent steps (after Public Hearing)
- ✓ Consider adoption of a Resolution.
- ✓ Consider adoption of an Ordinance.
- ✓ Council adopted the Resolution / Ordinance on September 15, 2009.
- ✓ TDA members were appointed December 15, 2009.
- ✓ Inaugural meeting January 7, 2010.

Salisbury Branding & Wayfinding Status

The Salisbury brand has been trademarked. (A sample of the brand is seen at the top of this report.) Joe Morris offered some history on the development of the Salisbury brand. Karen Wilkinson, City of Salisbury Public Affairs, is the Salisbury brand contact person and brand manager. (704-638-2113)

- The first round of branding has been utilized on Fisher Street.
- The brand is being used on wearable products, public documents and promotional materials.
- Signs delineating “Public Parking” will utilize brand graphics.
- An allocation for continuance of the branding effort will be made as part of the city budgetary process.

NEXT STEPS

The Commission would like to visit Johnson County North Carolina on a Friday. Joe will make the arrangements. There are many similarities to Salisbury such as their size and location on an Interstate. <http://johnstonnc.com/>

A Commission Chair will be appointed by City Council. Randy Hemann and Dave Redden asked that they not be considered for Chair.

It must be determined how to stagger terms and create bylaws.

Joe recommended bringing in Warren Miller for about a three-hour process to create this Commission’s mission, vision and values. Mr. Miller offered some dates when he would be available. Randy Hemann thought it would be helpful to attend the Rowan Convention and Visitors Bureau annual goal-setting process (March or April). Bill Burgin would like to visit other communities. It was suggested that this commission form an organizational committee.

A separate staff will not be hired. This will be considered an “integrated unit” which is audited along with the City of Salisbury by an outside entity. (Salisbury has the highest financial ratings possible.) The budget will be finalized sometime in March. City Council hopes to review the budget by the first of May. It was recommended that this commission not spend money until July 1, 2010. (New fiscal year) The City provided \$20,000 earmarked for the Cultural Action Plan.

The meeting adjourned at 1:39. The next meeting will be February 17, 2010, at noon (lunch provided) in the Council Chamber as it was today. The consensus was that the third Wednesday of each month at noon would be a good meeting time.

Respectfully submitted,

Diana Moghrabi